

MONROE TOWNSHIP
NEWAYGO COUNTY, MICHIGAN
AUDIT REPORT
MARCH 31, 2008

Auditing Procedures Report

[Reset Form](#)[Email](#)

Issued under Public Act 2 of 1968, as amended.

Unit Name	Monroe Township	County	NEWAYGO	Type	TOWNSHIP	MuniCode	
Opinion Date	June 11, 2008	Audit Submitted	June 24, 2008	Fiscal Year	2008		

If a local unit of government (authorities & commissions included) is operating within the boundaries of the audited entity and is NOT included in this or any other audit report, nor do they obtain a stand-alone audit, enclose the name(s), address(es), and a description(s) of the authority and/or commission.

Place a check next to each "Yes" or non-applicable question below. Questions left unmarked should be those you wish to answer "No".

<input checked="" type="checkbox"/>	1. Are all required component units/funds/agencies of the local unit included in the financial statements and/or disclosed in the reporting entity notes to the financial statements?
<input checked="" type="checkbox"/>	2. Does the local unit have a positive fund balance in all of its unreserved fund balances/unrestricted net assets?
<input checked="" type="checkbox"/>	3. Were the local unit's actual expenditures within the amounts authorized in the budget?
<input checked="" type="checkbox"/>	4. Is this unit in compliance with the Uniform Chart of Accounts issued by the Department of Treasury?
<input checked="" type="checkbox"/>	5. Did the local unit adopt a budget for all required funds?
<input checked="" type="checkbox"/>	6. Was a public hearing on the budget held in accordance with State statute?
<input checked="" type="checkbox"/>	7. Is the local unit in compliance with the Revised Municipal Finance Act, an order issued under the Emergency Municipal Loan Act, and other guidance as issued by the Local Audit and Finance Division?
<input checked="" type="checkbox"/>	8. Has the local unit distributed tax revenues, that were collected for another taxing unit, timely as required by the general property tax act?
<input checked="" type="checkbox"/>	9. Do all deposits/investments comply with statutory requirements including the adoption of an investment policy?
<input checked="" type="checkbox"/>	10. Is the local unit free of illegal or unauthorized expenditures that came to your attention as defined in the Bulletin for Audits of Local Units of Government in Michigan, as revised (see Appendix H of Bulletin.)
<input checked="" type="checkbox"/>	11. Is the unit free of any indications of fraud or illegal acts that came to your attention during the course of audit that have not been previously communicated to the Local Audit and Finance Division? (If there is such activity, please submit a separate report under separate cover.)
<input checked="" type="checkbox"/>	12. Is the local unit free of repeated reported deficiencies from previous years?
<input checked="" type="checkbox"/>	13. Is the audit opinion unqualified?
	14. If not, what type of opinion is it? <input type="text" value="NA"/>
<input checked="" type="checkbox"/>	15. Has the local unit complied with GASB 34 and other generally accepted accounting principles (GAAP)?
<input checked="" type="checkbox"/>	16. Has the board or council approved all disbursements prior to payment as required by charter or statute?
<input checked="" type="checkbox"/>	17. To your knowledge, were the bank reconciliations that were reviewed performed timely?
<input type="checkbox"/>	18. Are there reported deficiencies?
<input type="checkbox"/>	19. If so, was it attached to the audit report?

General Fund Revenue:	\$ 40,282.00
General Fund Expenditure:	\$ 34,598.00
Major Fund Deficit Amount:	\$ 0.00

General Fund Balance:	\$ 49,400.00
Governmental Activities Long-Term Debt (see instructions):	

We affirm that we are certified public accountants (CPA) licensed to practice in Michigan. We further affirm the above responses have been disclosed in the financial statements, including the notes, or in the Management Letter (Reported deviations).

CPA (First Name)	Terry	Last Name	Kirkpatrick	Ten Digit License Number	1101018035		
CPA Street Address	211 Maple St	City	Big Rapids	State MI	Zip Code 49307	Telephone	+1 (231) 796-3332
CPA Firm Name	Terry Kirkpatrick, CPA, P.C.	Unit's Street Address	211 Maple St	City	Big Rapids	Zip Code	49307

CONTENTS

	<u>Page Number</u>
Independent Auditor's Report	1
Management's Discussion and Analysis	2-4
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Assets	5
Statement of Activities	6
Governmental Fund Financial Statements	
Balance Sheet	7
Statement of Revenues, Expenditures and Changes in Fund Balance	8
Reconciliation of the Statement of Revenue, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities	9
Fiduciary Fund	
Statement of Net Assets	10
Notes to Financial Statements	11-14
Required Supplemental Information	
Budgetary Comparison Schedule – General Fund	15
Budgetary Comparison Schedule – Road Fund	16
Budgetary Comparison Schedule – Fire Fund	17
Other Supplemental Information	
Balance Sheet – Non-Major Governmental Funds	18
Statement of Revenues, Expenditures and Changes in Fund Balance -- Non-Major Governmental Funds	19

TERRY KIRKPATRICK, CPA, P.C.
CERTIFIED PUBLIC ACCOUNTANT

211 MAPLE STREET
P O BOX 817
BIG RAPIDS, MICHIGAN 49307-0817
(231) 796-3332
FAX (231) 796-5554

Independent Auditor's Report

To the Township Board
Monroe Township, Newaygo County

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Monroe Township, Newaygo County, Michigan, as of and for the year ended March 31, 2008, which collectively comprise Monroe Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of Monroe Township, Newaygo County, Michigan. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Monroe Township, Newaygo County, Michigan, as of March 31, 2008, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Monroe Township, Michigan's basic financial statements. The introductory section, combining and individual non-major fund statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual non-major fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

The management's discussion and analysis and budgetary comparison information on pages 2 through 4 and pages 15, 16 and 17 are not a required part of the basic financial statements, but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Terry Kirkpatrick CPA, P.C.

Big Rapids, Michigan
June 11, 2008

Monroe Township – Newaygo County, Michigan

Management's Discussion and Analysis

Using this Annual Report

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities provide information about the activities of Monroe Township, as a whole, and present a longer-term view of the Township's finances. Fund financial statements tell how these services were financed in the short-term, as well as what remains for future spending. Fund financial statements also report the Township's operations in more detail than the government-wide financial statements.

The Township as a Whole

The Township's net assets increased slightly during the year. In a condensed format, the table below shows the net assets as of the current date:

	<u>2008</u>
Current Assets	\$ 134,317
Non-current Assets	20,099
	<u>\$ 154,416</u>
 Total Liabilities	 \$ 0
 Net Assets	
Invested in Capital Assets	20,099
Restricted for Roads	42,549
Restricted for Fire Protection	33,233
Restricted for Townhall	3,928
Restricted for Cemetery	5,207
Unrestricted	49,400
Total net assets	<u>154,416</u>
 Total liabilities and net assets	 <u>\$ 154,416</u>

The following table shows the changes of the net assets as of the current date:

	<u>2008</u>
Program Revenues	
Charges for Services - Road Tax	\$ 9,663
- Fire Tax	14,496
- Townhall Tax	3,621
- Cemetery Tax	2,413
General Revenues	
Property Taxes	15,110
Licenses and Permits	800
State Grants	23,530
Interest Earnings	230
Other Revenue	6,834
Total revenues	<u>76,697</u>
Program Expenses	
General Government	29,534
Public Safety	18,439
Public Works	13,780
Other Funtions	6,371
Depreciation	648
Total expenses	<u>68,772</u>
Change in Net Assets	<u>\$ 7,925</u>

The Township's Funds

Our analysis of the Township's major funds begins on page 7, following the entity-wide financial statements. The fund financial statements provide detailed information about the most significant funds, not the Township as a whole. The Township Board creates funds to help manage money for specific purposes as well as to show accountability for certain activities, such as special property tax millages. The Township's major funds include the General Fund, Road Fund, and Fire Fund.

The General Fund pays for most of the Township's governmental services, which are partially supported by an operating tax millage and State revenue sharing. The Road Fund and Fire Fund are financed primarily by a voted tax millage for road maintenance and fire protection.

General Fund Budgetary Highlights

Monroe Township did not find it necessary to amend the General Fund budget during the year as various events occurred.

Capital Asset and Debt Administration

At the end of the fiscal year, the Township had \$25,931 invested in a broad range of capital assets including buildings. In addition, the Township has invested significantly in roads within the Township. These assets are not reported in the Township's financial statements because of Michigan law, which makes these roads the property of the Newaygo County Road Commission (along with the responsibility to maintain them).

Economic Factors and Next Year's Budgets and Rates

The Township budget for the next fiscal year will be similar to this past years' budget. State revenue sharing has shown declines in recent years and may be so again for the next year.

Contacting the Township's Management

This financial report is intended to provide our citizens, taxpayers, customers and investors with a general overview of the Township's finances and to show the Township's accountability for the money it receives. If you have questions about this report or need additional information, we welcome you to contact the Clerk's office.

BASIC FINANCIAL STATEMENTS

Monroe Township – Newaygo County, Michigan

Government Wide Statement of Net Assets

March 31, 2008

	<u>Governmental Activities</u>
ASSETS	
Cash and Cash Equivalents	\$ 128,294
Receivables - Other Governmental Units	6,023
Capital Assets (Net)	<u>20,099</u>
Total assets	<u><u>\$ 154,416</u></u>
NET ASSETS	
Invested in capital assets, net of related debt	\$ 20,099
Unrestricted	<u>134,317</u>
Total net assets	<u><u>154,416</u></u>
Total liabilities and net assets	<u><u>\$ 154,416</u></u>

The "Notes to Financial Statements" are an integral part of these statements.

Monroe Township – Newaygo County, Michigan
Government Wide Statement of Activities
For the Year Ended March 31, 2008

	Expenses	Charges for Services	Program Revenues Operating Grants	Governmental Activities Net (Expense) Revenue and Changes in Net Assets
PRIMARY GOVERNMENT				
General Government	\$ 29,534	\$ 6,034	\$ 0	\$ (23,500)
Public Safety	18,439	14,496	0	(3,943)
Public Works	13,780	9,663	0	(4,117)
Other Functions	6,371	0	0	(6,371)
Depreciation (unallocated)	648	0	0	(648)
Total primary government	\$ 68,772	\$ 30,193	\$ 0	\$ (38,579)
General Revenues				
Property Tax, levied for general operations				15,110
Licenses and Permits				800
State Grants				23,530
Interest Earnings				230
Other Revenue				6,834
Total general revenues				46,504
Change in Net Assets				7,925
Net assets - Beginning of year				146,491
Net assets - End of year				\$ 154,416

The "Notes to Financial Statements" are an integral part of these statements.

GOVERNMENTAL FUND FINANCIAL STATEMENTS

Monroe Township -- Newaygo County, Michigan
 Governmental Fund Balance Sheet
 March 31, 2008

	General Fund	Road Fund	Fire Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 47,395	\$ 41,263	\$ 31,304	\$ 8,332	\$ 128,294
Due from Newaygo County	1,749	1,286	1,929	803	5,767
Due from Current Tax Fund	256	0	0	0	256
Total assets	\$ 49,400	\$ 42,549	\$ 33,233	\$ 9,135	\$ 134,317
LIABILITIES AND FUND EQUITY					
Fund Balance - Unreserved and Undesignated	\$ 49,400	\$ 42,549	\$ 33,233	\$ 9,135	\$ 134,317
Total liabilities and fund equity					

Reconciliation of the Balance Sheet of Governmental Funds to
 the Statement of Net Assets

Total Governmental Fund Balances	\$ 134,317
Amounts reported for governmental activities in the statement of net assets are different because:	
Cost of capital assets, net of depreciation	20,099
Net assets of governmental activities	\$ 154,416

The "Notes to Financial Statements" are an integral part of these statements.

Monroe Township – Newaygo County, Michigan

Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended March 31, 2008

	General Fund	Road Fund	Fire Fund	Non-Major Governmental Funds	Total Governmental Funds
REVENUES					
Property Tax	\$ 15,110	\$ 9,663	\$ 14,496	\$ 6,034	\$ 45,303
Licenses and Permits	800	0	0	0	800
State Grants	22,508	1,022	0	0	23,530
Interest and Rents	230	0	0	0	230
Other Revenue	1,634	5,000	0	200	6,834
Total revenues	40,282	15,685	14,496	6,234	76,697
EXPENDITURES					
General Government	23,852	0	0	5,682	29,534
Public Safety	4,375	0	14,064	0	18,439
Public Works	0	13,780	0	0	13,780
Other Functions	6,371	0	0	0	6,371
Total expenditures	34,598	13,780	14,064	5,682	68,124
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	5,684	1,905	432	552	8,573
Fund Balance - April 1,	43,716	40,644	32,801	8,583	125,744
Fund Balance - March 31,	\$ 49,400	\$ 42,549	\$ 33,233	\$ 9,135	\$ 134,317

The "Notes to Financial Statements" are an integral part of these statements.

Monroe Township – Newaygo County, Michigan

Reconciliation of the Statement of Revenue, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities
For the Year Ended March 31, 2008

Net Change in Fund Balances - Total Government Funds	\$	8,573
--	----	-------

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures; in the statement of activities, these costs are allocated over their estimated useful lives as depreciation

Depreciation expense		<u>(648)</u>
----------------------	--	--------------

Change in Net Assets of Governmental Activities	\$	<u><u>7,925</u></u>
---	----	---------------------

The "Notes to Financial Statements" are an integral part of these statements.

Monroe Township – Newaygo County, Michigan

Fiduciary Fund
Statement of Net Assets
March 31, 2008

	<u>Agency Fund Type</u> <u>Property Tax Collection Fund</u>
ASSETS	
Cash and Cash Equivalents	<u>\$ 256</u>
LIABILITIES	
Due to General Fund	<u>\$ 256</u>

The "Notes to Financial Statements" are an integral part of these statements.

NOTES TO FINANCIAL STATEMENTS

Monroe Township – Newaygo County, Michigan

Notes to Financial Statements
For the Year Ended March 31, 2008

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Monroe Township conform to accounting policies generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies used by Monroe Township:

Reporting Entity

The Township is governed by an elected, five-member, Board. The accompanying financial statements present the government and its component units; entities for which the government is considered to be financially accountable. Based on the application of the criteria, the Township does not contain any component units.

Government – Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities, normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue includes: (1a) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenue.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

District-Wide Statements - The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Fund Based Statements - Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be "available" if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Property taxes – Monroe Township's property tax is levied on each December 1st on the taxable valuation of property located within Monroe Township as of the preceding December 31st.

Monroe Township – Newaygo County, Michigan

Notes to Financial Statements - Continued

For the Year Ended March 31, 2008

Although the Monroe Township 2007 ad valorem tax is levied and collectible on December 1, 2007, it is Monroe Township's policy to recognize revenue from the current tax levy in the current year when the proceeds of this levy are budgeted and made "available" for the financing of operations.

The 2007 taxable valuation of Monroe Township totaled approximately \$11,098,000, on which ad valorem taxes levied consisted of .7625 mills for the Township operating purposes and an additional .8735 mills for roads, 1.3102 for fire, .2183 for cemetery and .3275 for township hall. These amounts are recognized in the respective General and Special Revenue Fund financial statements as Due from Newaygo County and/or as a tax revenue.

The Township reports the following major governmental funds:

The General Fund is the Township's primary operating fund. It accounts for all financial resources of the Township, except those required to be accounted-for in another fund.

The Road Fund is used to record property tax and interest for expenditures for road improvements.

The Fire Fund is used to record property tax for expenditures for fire protection.

Additionally, the Township reports the following fund types:

The Township reports a Fiduciary Fund (Agency Fund). This fund accounts for taxes and special assessments collected by the Township as an agent for other taxing units. Fiduciary Fund net assets and results of operations are not included in the government-wide financial statements. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

The Township reports two non-major special revenue funds for a cemetery and town hall fund.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements.

Assets, Liabilities and Net Assets or Equity

Deposits and Investments – Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value.

Receivables and Payables – In general, outstanding balances between funds are reported as "due to/from other funds". Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "advances to/from other funds".

All trade and property tax receivables are shown as net of allowance for uncollectible amounts. Property taxes are levied on each December 1st and are considered delinquent on March 1st of the following year, at which time interest and penalties are assessed.

Capital Assets – Capital assets, which include property, plant and equipment assets are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of the donation.

Property, plant and equipment is depreciated using the straight-line method over the following useful lives:

Building	40 years
----------	----------

Monroe Township – Newaygo County, Michigan

Notes to Financial Statements - Continued

For the Year Ended March 31, 2008

Fund Equity – In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

NOTE B – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information – Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental units. All annual appropriations lapse at fiscal year end.

The budget document presents information by fund, function, activity and line items. The legal level of budgetary control adopted by the governing body is the activity level. State law requires the Township have its budget in place by April 1st. Expenditures in excess of amounts budgeted is a violation of Michigan Law. State law permits a township to amend its budgets during the year.

NOTE C – DEPOSITS AND INVESTMENTS

Michigan Compiled Laws, Section 129.91, authorizes the local governmental unit to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations, which have an office in Michigan. The Township is allowed to invest in bonds, securities and other direct obligations of the United States or any agency or instrumentality of the United States; United States government or federal agency obligations; repurchase agreements; bankers' acceptance of United States banks; commercial paper rated within the two highest classifications which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions which are rated as investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan.

The Township has designated one bank for the deposit of Township Funds. The investment policy adopted by the Township Board in accordance with Public Act 196 of 1997 has authorized investment in bank accounts and certificates of deposit, but not the remainder of State statutory authority as listed above.

The Township's deposits and investment policy are in accordance with statutory authority.

At year-end, the Township's deposits and investments were reported in the basic financial statements in the following categories:

	<u>Governmental Activities</u>
Cash and cash equivalents	\$ 128,294

The bank balance of the primary government's deposits is \$128,549, of which \$100,000 is covered by federal depository insurance.

NOTE D – RECEIVABLES

Receivables as of year-end for the government's individual major and non-major funds are as follows:

	<u>General</u>	<u>Road Millage</u>	<u>Fire Millage</u>	<u>Non-Major</u>	<u>Total</u>
Due from County	\$ 1,749	\$ 1,286	\$ 1,929	\$ 803	\$ 5,767

Monroe Township – Newaygo County, Michigan
Notes to Financial Statements - Continued
For the Year Ended March 31, 2008

NOTE E – CAPITAL ASSETS

Capital asset activity of the governmental activities for the current year was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets being depreciated				
Buildings	\$ 25,931	\$ 0	\$ 0	\$ 25,931
Less Accumulated depreciation for Capital assets	(5,184)	(648)	0	(5,832)
Net capital assets	<u>\$ 20,747</u>	<u>\$ (648)</u>	<u>\$ 0</u>	<u>\$ 20,099</u>

Depreciation expense was not charged to activities as the Township considers its assets to impact multiple activities and allocation is not practical.

NOTE F– INTERFUND RECEIVABLES and PAYABLES

Receivable Fund	Payable Fund	Amount
General	Agency	\$ 256

NOTE G – RISK MANAGEMENT

The Township is exposed to various risks of loss related to property loss, torts, errors and omissions and employee injuries (workers' compensation). The Township has purchased workers' compensation insurance for such claims. Settled claims relating to the workers' compensation insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

REQUIRED SUPPLEMENTAL INFORMATION

Monroe Township – Newaygo County, Michigan

Budgetary Comparison Schedule

General Fund

For the Year Ended March 31, 2008

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	Variance with Final Budget Favorable (Unfavorable)
BEGINNING OF YEAR FUND BALANCE	\$ 43,716	\$ 43,716	\$ 43,716	\$ 0
Resources (inflows)				
Property Tax	10,000	10,000	15,110	5,110
Licenses and Permits	0	0	800	800
State Grants	23,000	23,000	22,508	(492)
Interest and Rents	0	0	230	230
Other Revenue	9,000	9,000	1,634	(7,366)
Amounts Available for Appropriation	85,716	85,716	83,998	(1,718)
Charges to Appropriations (outflows)				
General Government				
Township board	14,300	14,300	5,550	8,750
Supervisor	5,000	5,000	4,555	445
Elections	3,000	3,000	574	2,426
Assessor	3,000	3,000	0	3,000
Clerk	6,300	6,300	5,944	356
Board of review	1,500	1,500	840	660
Treasurer	6,700	6,700	6,389	311
Public Safety				
Rescue	700	700	0	700
Planning and zoning	4,600	4,600	4,375	225
Other Functions				
Insurance and Bonds	7,000	7,000	4,704	2,296
Social security/ medicare tax	2,500	2,500	1,667	833
Total Charges to Appropriations	54,600	54,600	34,598	20,002
Budgetary Fund Balance - March 31,	\$ 31,116	\$ 31,116	\$ 49,400	\$ 18,284

Monroe Township – Newaygo County, Michigan

Budgetary Comparison Schedule

Road Fund

For the Year Ended March 31, 2008

	Original Budget	Amended Budget	Actual	Variance with Final Budget Favorable (Unfavorable)
BEGINNING OF YEAR FUND BALANCE	\$ 40,644	\$ 40,644	\$ 40,644	\$ 0
Resources (inflows)				
Property Tax	10,000	10,000	9,663	(337)
County Rebate	0	0	5,000	5,000
State Metro Act 48	0	0	1,022	1,022
Amounts Available for Appropriation	50,644	50,644	56,329	5,685
Charges to Appropriations (outflows)				
Public Works				
Highways, Streets, and Bridges	30,770	30,770	13,780	16,990
BUDGETARY FUND BALANCE - March 31,	\$ 19,874	\$ 19,874	\$ 42,549	\$ 22,675

Monroe Township – Newaygo County, Michigan

Budgetary Comparison Schedule

Fire Fund

For the Year Ended March 31, 2008

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	Variance with Final Budget Favorable (Unfavorable)
BEGINNING OF YEAR FUND BALANCE	\$ 32,801	\$ 32,801	\$ 32,801	\$ 0
Resources (inflows)				
Property Tax	15,000	15,000	14,496	(504)
Amounts Available for Appropriation	47,801	47,801	47,297	(504)
Charges to Appropriations (outflows)				
Public Safety				
Fire Protection	19,991	19,991	14,064	5,927
BUDGETARY FUND BALANCE - March 31,	<u>\$ 27,810</u>	<u>\$ 27,810</u>	<u>\$ 33,233</u>	<u>\$ 5,423</u>

OTHER SUPPLEMENTAL INFORMATION

Monroe Township – Newaygo County, Michigan

Balance Sheet

Non-Major Governmental Funds

March 31, 2008

	Cemetery <u>Fund</u>	Townhall <u>Fund</u>	<u>Totals</u>
ASSETS			
Cash and Cash Equivalents	\$ 4,886	\$ 3,446	\$ 8,332
Due from Newaygo County	321	482	803
Total assets	<u>\$ 5,207</u>	<u>\$ 3,928</u>	<u>\$ 9,135</u>
LIABILITIES AND FUND EQUITY			
Fund Balance			
Unreserved and undesignated	<u>\$ 5,207</u>	<u>\$ 3,928</u>	<u>\$ 9,135</u>

Monroe Township – Newaygo County, Michigan
Statement of Revenues, Expenditures and Changes in Fund Balance
Non-Major Governmental Fund
For the Year Ended March 31, 2008

	<u>Cemetery Fund</u>	<u>Townhall Fund</u>	<u>Totals</u>
REVENUES			
Property Tax	\$ 2,413	\$ 3,621	\$ 6,034
Other Revenues	200	0	200
Total revenues	<u>2,613</u>	<u>3,621</u>	<u>6,234</u>
EXPENDITURES			
General Government	<u>2,108</u>	<u>3,574</u>	<u>5,682</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	505	47	552
FUND BALANCE - April 1, 2007	<u>4,702</u>	<u>3,881</u>	<u>8,583</u>
FUND BALANCE - March 31, 2008	<u>\$ 5,207</u>	<u>\$ 3,928</u>	<u>\$ 9,135</u>

Terry Kirkpatrick, CPA, P.C.
Certified Public Accountant

211 Maple Street
P O Box 817
Big Rapids, Michigan 49307-0817
(231) 796-3332
FAX (231) 796-5554

June 11, 2008

Members of Monroe Township Board
Newaygo County, Michigan

I have recently completed my audit of the basic financial statements of Monroe Township for its year ended March 31, 2008. During this audit, I had an opportunity to observe accounting and financial procedures and many of your general management practices. As a result of my auditing procedures, there are some comments and/or recommendations I would like to present.

CLERK'S GENERAL LEDGER

The Clerk's general ledger still needs improvement. This recommendation has been made in past audits. Proper use of the general ledger would most likely save her time and also provide additional information for the Board should they request it.

OTHER MATTERS

I want to thank your personnel for the courtesy and cooperation shown me by them during the audit process.

I have mailed two copies of the audit report and this letter to the Michigan Department of Treasury. You have been given the completed copy of the Form F-65, which the Clerk must sign and mail to the Michigan Department of Treasury.

If you have any questions regarding the above or the audit, please contact me.

Terry Kirkpatrick, CPA, P.C.